United Nations A/66/6 (Sect. 13)

General Assembly

Distr.: General
13 April 2011

Original: English

Sixty-sixth session

Proposed programme budget for the biennium 2012-2013*

Part IV
International cooperation for development

Section 13
International Trade Centre

(Programme 10 of the strategic framework for the period 2012-2013)**

* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 6* (A/66/6/Add.1).

** *Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 6* (A/65/6/Rev.1).

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Preliminary estimate to accommodate the programme of activities of the International Trade Centre during the biennium 2012-2013

Table 13.1 **Estimate of expenditure**

(United Nations share at 2010-2011 rates)

Proposal submitted by the Secretary-General	$32 790 400[a]
Revised appropriation for 2010-2011	$31 793 300

[a] At 2010-2011 rates.

Table 13.2 **Proposed staffing resources**

Posts	*Number*	*Level*
Regular budget		
Proposed for the biennium 2012-2013	164	1 ASG, 1 D-2, 5 D-1, 20 P-5, 31 P-4, 20 P-3, 15 P-2/1, 71 GS (OL)
Conversions[a]	2	1 P-4, 1 P-2
Approved for the biennium 2010-2011	162	1 ASG, 1 D-2, 5 D-1, 20 P-5, 30 P-4, 20 P-3, 14 P-2/1, 71 GS (OL)

Abbreviations: ASG, Assistant Secretary-General; GS, General Service; OL, Other level.

[a] Conversions of positions funded under general temporary assistance to posts.

13.1 The International Trade Centre (ITC) is the joint technical cooperation agency of the United Nations and the World Trade Organization (WTO) for business aspects of trade development. Originally created by the General Agreement on Tariffs and Trade (GATT) in 1964, ITC has operated since 1968 under the joint auspices of GATT/WTO and the United Nations, the latter acting through the United Nations Conference on Trade and Development (UNCTAD). ITC is the focal point for technical assistance and cooperation activities in the trade promotion field within the United Nations system of assistance to developing countries, as affirmed by the Economic and Social Council in its resolution 1819 (LV). The Centre is responsible for the implementation of subprogramme 6, Operational aspects of trade promotion and export development, of programme 10, Trade and development, of the strategic framework for the period 2012-2013.

13.2 The General Assembly, in section I of its resolution 59/276, endorsed revised administrative arrangements for ITC as set out in the report of the Secretary-General (A/59/405). In conformity with those administrative arrangements, after consultations between the secretariats of the United Nations, WTO and ITC, a proposal in the form of a simplified fascicle, in United Nations format, is submitted in the second quarter of the year preceding the forthcoming financial period to the General Assembly and the WTO General Council, with a request that both bodies take note of the planned level of resources to be requested. The ITC budget is funded equally by the United Nations and WTO. The proposals outlined below are of an interim nature.

13.3 ITC is expressly mandated to provide technical assistance to facilitate the integration of developing countries and economies in transition, in particular the least developed countries, into the multilateral trading system through export promotion and international business development. The Centre's interventions concentrate on three strategic objectives: (a) strengthening the international competitiveness of enterprises; (b) developing the capacity of trade service providers

to support businesses; and (c) supporting policymakers in integrating the business sector into the global economy. The critical importance of trade and private sector development, as well as the central role of ITC in the Aid for Trade initiative and its implementation at the country level, continue to gain recognition in development forums. Consequently, ITC is called upon to deliver higher levels of trade-related technical assistance.

13.4 The programme of work is reviewed annually by the Joint Advisory Group of the International Trade Centre, the main intergovernmental policy forum of the Centre, which is open to members of UNCTAD and WTO. The WTO General Council and the UNCTAD Trade and Development Board review the report, including recommendations, of the Joint Advisory Group annually. The Joint Advisory Group also examines the activities of ITC and makes recommendations to the UNCTAD Trade and Development Board and the WTO General Council.

13.5 At its forty-fourth annual meeting, in December 2010, the Joint Advisory Group was informed about the positive results of the ITC client survey that had been conducted for the fourth year. Seventy-two per cent of the respondents said that there had been a positive trend in the quality of ITC services over the last three years. The view was expressed that ITC increasingly provides products and services that have an impact. The increased response from the private sector, with the strongest responses from trade support institutions, was noted. Within this context, the Joint Advisory Group agreed that support for export development was even more important in the light of the global economic crisis. Accordingly, in 2012-2013 ITC will continue to further structure its programme delivery responses around two comprehensive and coordinated solutions: (a) export-related capacity-building through integrated country and regionally structured solutions, which typically imply support to and strengthening of the national export infrastructure combined with information on and facilitation of access to export markets; and (b) global public goods for globally accessed solutions, mainly delivered online, to enable an understanding of and increase the transparency of export-related matters and issues in all developing countries, supported by the related capacity-building programmes. Similarly, Joint Advisory Group participants supported the Centre's focus on the millennium development goals in its work and the increasing shift towards larger, multi-year programmes, with an emphasis on the poorest group of countries, least developed countries, landlocked developing countries, small island developing States and sub-Saharan Africa. Member States at the meeting of the Joint Advisory Group in 2010 expressed satisfaction at progress made in embedding results-based management in the organization and encouraged ITC to focus further on outputs and impact through stronger quality control and monitoring to improve project management.

13.6 While ITC has completed a major change management process that has, inter alia, led to a realignment of the organizational structure to meet delivery requirements, the continuing evolution of responses to clients' needs will result in other adjustments to staff deployment that are still under review. These changes are designed to increase overall impact and to mainstream the Centre's best practices and will be documented in the subsequent submission of detailed budget estimates. At its forty-third annual meeting, in December 2009, the Joint Advisory Group endorsed the ITC strategic plan (2010-2013) and the strategic framework for the period 2012-2013. Efforts are under way to improve the quantification of outputs and the definition of indicators of achievement. The Joint Advisory Group will be in a position to review these matters at its forty-fifth session, which is scheduled for June 2011. The proposed level of resources for the biennium 2012-2013 has been formulated on the basis of the strategic framework as approved by the General Assembly. At its forty-fourth annual meeting, the Joint Advisory Group reiterated the need for ITC to receive its regular budget funding from the United Nations in Swiss francs, and that the agreements on the administrative arrangements between WTO and the United Nations on the handling of the ITC budget, which were endorsed by the General Assembly, should be honoured. Support was also given to ITC investment in the enterprise resource planning project and the

implementation of the International Public Sector Accounting Standards, which will help to enhance results-based management at ITC.

13.7 The proposed overall requirements for section 13 for the biennium 2012-2013 amount to SwF 76,141,200, (at an exchange rate of SwF 1.085 to 1 United States dollar) comprising:

(a) An amount of SwF 59,526,700, for 164 posts, including the continuation of 162 posts (91 Professional and 71 General Service) and the conversion to established posts of two positions previously funded under general temporary assistance (1 P-4, 1 P-2);

(b) An amount of SwF 909,600 corresponding to the delayed impact of eight Professional posts (1 D-1, 2 P-5, 3 P-4, 2 P-2), approved for the biennium 2010-2011 and an amount of SwF 172,200 corresponding to the delayed impact of two posts (1 P-4, 1 P-2) previously funded under general temporary assistance (SwF 773,900, offset by a reduction of SwF 601,700 under non-post requirements (general temporary assistance));

(c) A provision of SwF 16,032,700 for non-post requirements, reflecting a decrease of SwF 601,700 for the two positions funded under general temporary assistance proposed to be converted to established posts;

(d) Projected income in the amount of SwF 500,000 that would be available to ITC for the biennium 2012-2013 from various sources.

13.8 The proposed requirements in Swiss Francs are calculated by ITC using the average of the actual grade level of the posts. Accordingly, the contribution of each organization is estimated at SwF 38,070,600 (net) for the biennium 2012-2013. Table 13.3 shows the United States dollar equivalent of those requirements for the biennium 2012-2013 expressed at the 2012-2013 budget exchange rate of SwF 1.085 to 1 United States dollar.

Table 13.3 Summary of requirements (United Nations share)

(Thousands of United States dollars)

Object of expenditure	*2008-2009 expenditure*	*2010-2011 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*[a]	*2012-2013 estimate*
			Amount	*Percentage*			
Grants and contributions	31 012.0	31 793.3	997.1	3.14	32 790.4	2 297.7	35 088.1
Total	**31 012.0**	**31 793.3**	**997.1**	**3.14**	**32 790.4**	**2 297.7**	**35 088.1**

[a] Preliminary recosting to reflect the United States dollar requirements for the biennium 2012-2013 to ensure the United Nations part in Swiss Francs remains equivalent to its half share of the ITC budget of SwF 76,141,200 net for the biennium (i.e., SwF 38,070,600 net).

13.9 The request for the conversion of the two posts from general temporary assistance funding was originally proposed for the biennium 2010-2011. The request for the conversion of the following positions is resubmitted as the functions are ongoing:

(a) Associate Graphic Designer (P-2). The Communications and Events Unit covers all communications outreach to beneficiary countries. Having a permanent in-house graphic designer has greatly increased the Unit's ability to ensure that the delivery of ITC global goods overcome language and technology literacy issues. Having innovative ways of presenting information means easier and broader access to ITC data and information, leading to increased learning and capacity-building. During the forty-fourth annual meeting of the Joint Advisory Group, member States responded very positively to the increased accessibility to essential ITC information;

(b) Senior Programme Officer (P-4) in the Trade Institutions Strengthening Section. The overall intent is to strengthen the capacities of local trade support institutions to improve their business practices and performance measurement in an efficient and effective manner, as well as their ability to demonstrate results and impact to their clients, stakeholders and Governments. An established post is recommended, as benchmarking is an ongoing commitment for both ITC and the partner trade support institutions. The aim is to establish a wide network of strong trade support institutions identified as ITC multipliers in the field through the concept of "one to one to many". Benchmarking provides a consistent and defined set of characteristics that allows a trade support institution to learn its level of maturity across a range of managerial functions and understand where and how it needs to improve. It is designed to be complete, transparent and inspirational. Trade support institutions will be able to assess and then develop or enhance their managerial skills and operational services for their clients, supported by ITC capacity-building programmes and through learning and sharing of good practices with other trade support institutions via the benchmarking Web platform. ITC has received demonstrated interest from trade support institutions in least developed countries, developing and developed countries for the continuation of the programme. The member States of the Joint Advisory Group expressed appreciation for the capacity-building and benchmarking programme for trade support institutions. In particular there was support for the proposal to create an established post in this area.

13.10 Information on the budgetary implications for ITC in the biennium 2012-2013 of General Assembly resolution 60/283, in which the Assembly decided "to replace the Integrated Management Information System with a next generation enterprise resource planning system or other comparable system" and to approve the adoption by the United Nations of the International Public Sector Accounting Standards, are currently under discussion between ITC and the United Nations Secretariat and would be addressed, as appropriate, in the context of the detailed budget of ITC to be submitted subsequently.

13.11 The General Assembly may wish to take note of the planned level of resources. The detailed proposed programme budget of ITC for the biennium 2012-2013 will be submitted to the General Assembly and to the General Council of WTO in the fourth quarter of 2011. It will take into account any further adjustments that may be necessary to reflect the latest exchange rates to ensure consistency with the administrative arrangements for ITC approved by the General Assembly in its resolution 59/276.